



Covad Announces Completion of Broadband Network Integration with New Edge Networks

***Customers Can Now Purchase Business-Class Broadband Services Through
Covad in 235 Metropolitan Areas in 44 States***

San Jose, Calif. (March 8, 2004)—Covad Communications Group, Inc. (OTCBB: COVD), a leading national broadband service provider of high-speed Internet and network access, today announced full network and systems integration with New Edge Networks, a national provider of managed networks to business and carrier customers, allowing businesses and distributed enterprises to purchase business-class broadband services directly from Covad or its selected partners in 235 Metropolitan Statistical Areas (MSAs) in 44 states.

Under the terms of a previously announced reciprocal service agreement, Covad is now selling broadband services in small and mid-sized cities reachable through New Edge Networks. The agreement expands Covad's footprint from 35 to 44 states, reaching an additional 5.5 million businesses.

"Combining our networks was a logical and strategic move that not only benefits Covad and New Edge Networks, but also business broadband customers nationwide," said Charles Hoffman, president and chief executive officer of Covad. "With one of the largest broadband footprints available, businesses, particularly distributed enterprises, can purchase DSL access from a single provider, making Covad the quintessential one-stop-shop for broadband services."

Hoffman added, "Covad's and New Edge Networks' footprint are an ideal fit for each other. Our network primarily covers larger cities while New Edge Networks provides reach where Covad does not have a presence. The combined networks allow both companies to considerably grow their addressable markets."

Covad direct customers can have peace-of-mind knowing Covad provides all its business-class customers with a 30-day satisfaction guarantee. If the customer is not completely satisfied with Covad's service and wishes to cancel they will be credited back all charges issued by Covad to that point.

"Covad and New Edge Networks footprints are a natural fit for one another," said Rod Woodward, telecommunications services industry analyst with Frost & Sullivan.



"The two networks together can provide business-class DSL services to more cities and companies than ever before, making Covad a smart choice for businesses who want quality broadband services from one provider."

Ordering, pricing and service details can be found by visiting www.covad.com or by dialing 888 64-COVAD.

About Covad Communications

Covad is a leading national broadband service provider of high-speed Internet and network access utilizing Digital Subscriber Line (DSL) technology. It offers DSL, T1, hosting, managed security, IP and dial-up services and bundled voice and data services directly through Covad's network and through Internet Service Providers, value-added resellers, telecommunications carriers and affinity groups to small and medium-sized businesses and home users. Covad services are currently available across the nation in 44 states and 235 Metropolitan Statistical Areas (MSAs) and can be purchased in more than 57 million homes and business, which represent over 50 percent of all US homes and businesses. Corporate headquarters is located at 110 Rio Robles San Jose, CA 95134. Telephone: 1-888-GO-COVAD. Web Site: www.covad.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

The statements contained in this press release that are not historical facts are "forward-looking statements". Actual events or results may differ materially as a result of risks facing Covad or actual results differing from the assumptions underlying such statements. Such risks and assumptions include, but are not limited to, Covad's ability to continue to service and support its customers, to successfully market its services to current and new customers, to maintain competitive pricing, manage the consolidation of sales to a fewer number of wholesale customers, to respond to competition, to develop and maintain strategic relationships, to negotiate suitable interconnection agreements, all in a timely manner, at reasonable costs and on satisfactory terms and conditions, as well as regulatory, legislative, and judicial developments and the absence of an adverse result in litigation against Covad. Covad disclaims any obligation to update any forward-looking statement contained in this press release. All forward-looking statements are expressly qualified in their entirety by the "Risk Factors" and other cautionary statements included in Covad's



SEC Annual Report on Form 10-K for the year ended December 31, 2003, along with Current Reports on Form 8-K filed from time to time with the SEC.

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